Exhibit A

SUMMARY PLAN DESCRIPTION

OF THE

NATIONAL ELEVATOR INDUSTRY

PENSION PLAN

March 1, 1998

NATIONAL ELEVATOR INDUSTRY PENSION FUND

Plan Administrator

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NATIONAL ELEVATOR INDUSTRY PENSION FUND

TO ALL PLAN PARTICIPANTS:

Financial security when we retire is one of the goals most of us work to achieve. Actually, we want more than security. We want freedom from money worries so we can live confidently when that day comes.

But it doesn't just happen. You have to plan for it with savings, insurance, and other assets.

The International Union of Elevator Constructors (Union) and the National Elevator Industry, Inc. (NEII) plan along with you by providing the National Elevator Industry Pension Fund (Fund). The Fund was established by the Union and NEII on July 1, 1962. It was created as a result of the 1962 Standard Agreement, which has been renegotiated periodically ever since. The Fund is a multiemployer defined benefit pension fund for the purpose of paying benefits to eligible participants and beneficiaries under the terms of the National Elevator Industry Plan of Pension Benefits (Pension Plan or Plan).

When you retire, your pension and your Social Security will work together to provide a regular monthly income for as long as you live.

The Plan is administered by a Board of Trustees (Trustees), which is made up of an equal number of individuals appointed by the Union and NEII. The Trustees carefully manage the funds contributed in order to provide the best protection available for you and your family. All benefits due under the Plan are paid directly by the Trustees.

This SPD has been prepared to explain your Pension Plan and to show how it fits into your overall future security. It does not set forth all of the details of the Plan but is intended as a summary only.

Because retirement is a subject important to you and to your family, you should read this information carefully to be sure you understand all of your rights and obligations under the Plan. You should also share this SPD with your family, and keep it for future reference.

If you have any questions, please direct them to the National Elevator Industry Benefit Plans office (Benefits Office).

Sincerely,

BOARD OF TRUSTEES

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INTRODUCTION

The following Summary Plan Description (SPD) is intended for your use as a convenient reference on the material features of the National Elevator Industry Plan of Pension Benefits, as it was restated effective March 1, 1998. It does not reflect earlier terms or provisions of the Plan that have been amended or deleted. It does not enlarge, modify or change the meaning of the text of the Plan or of the benefits available under the Plan. Official copies of the text of the Plan are available at the Benefits Office and IUEC Local Unions and may be examined at any reasonable time.

Interpretation of the terms of the Plan and the application thereof, information concerning an individual's eligibility and benefit entitlement, and any other matter relating to the Pension Plan should be obtained only through the Administrator or Legal Counsel of the Plan. The Trustees of the Plan are not obligated by, responsible for, or bound by opinions, information or representations supplied by other sources.

The Trustees reserve the right to amend or modify the Plan at anytime consistent with the Fund's Agreement and Declaration of Trust.

IN CASE OF DOUBT OR DISCREPANCY BETWEEN THIS SUMMARY PLAN DESCRIPTION AND THE PLAN DOCUMENT, THE PLAN DOCUMENT WILL ALWAYS GOVERN.

PARTICIPATION AND CONTRIBUTIONS

Requirements for Participation

You become a participant in the Plan when:

A. You work in Covered Employment. Covered Employment is work for which employers are required to make contributions to the Fund in accordance with the Standard Agreement, Otis Agreement, or other written agreement; or

B. If a probationary helper, you have completed a probationary period by working:

1. 100 or more hours in each of six 30-day periods in any nine consecutive months beginning with your date of hire; or

2. 1,000 or more hours in any 12 consecutive calendar month period.

Actual participation of a probationary helper in the Plan begins on the first day of the month after you complete your probationary period.

The terms and conditions of participation of owner-employees performing bargaining unit work and bargaining unit alumni are set forth in a separate booklet entitled "Guidelines for Employers and IUEC Local Unions Participating in the National Elevator Industry Health Benefit Plan, Pension Plan and Educational Program." A copy of this booklet has been forwarded to all contributing employers, and additional copies are available upon request.

Payment of Contributions

Contributions to the Plan are made by employers who are contractually required to make these contributions on behalf of their covered employees.

Employee contributions ceased during the Plan Year ending June 30, 1982. If you made individual contributions to the Plan, then these contributions have been credited to an interest bearing account in your name, provided you did not withdraw these contributions. Your contributions plus the interest earned on the contributions are referred to as your "Accumulated Employee Contributions."

CREDITED SERVICE

Generally, your working time will count towards your pension if you are employed in work covered by the Standard Agreement, Otis Agreement or other written agreement requiring contributions to the Fund. Your working time in Covered Employment will be used by the Fund to determine *if* you are eligible for a benefit (Vesting Service) and *how much* that benefit will be (Benefit Service).

Benefit Service

Benefit Service is the service credited to you for the purpose of determining the amount of your benefit. Your Benefit Service is equal to the sum of your Past Benefit Service and your Future Benefit Service.

A. Future Benefit Service - Credited Service for Work After Plan Contributions Began

You will receive one hour of Future Benefit Service for each hour of Covered Employment on or after July 1, 1962. To determine your years of Future Benefit Service, take your hours of Covered Employment and divide by 1,700.

For example: If you work 2,000 hours a year for 6 years, you will have accumulated 12,000 hours of Future Benefit Service. 12,000 divided by 1,700 equals 7.058 years of Future Benefit Service. Therefore, you have earned in excess of 7 years credited service for 6 years of work.

B. Past Benefit Service - Credited Service for Work Before Plan Contributions Began

You may also receive Past Benefit Service for work in the elevator industry before contributions to the Plan commenced on July 1, 1962. Between July 1, 1932 and June 30, 1953, you will receive three months of Past Benefit Service for each calendar quarter in which you worked in a job classification covered by a collective bargaining agreement between the Union or Local 1 and an employer.

Between July 1, 1953 and June 30, 1962, you will receive one month of Past Benefit Service for any month in which you worked as a probationary helper, covered employee, or ran temporary cars. Other employment in the elevator industry may be credited if adequate records are provided to the Trustees.

C. Benefit Credit for Service in the Armed Forces

You may be eligible for Past or Future Benefit Service for periods during which your covered work in the elevator industry was interrupted by your service in the Armed Forces of the United States of America, but only to the extent required by law.

D. Annual Statement

Once a year, you will receive a statement showing your Future Benefit Service for that year, your total Future Benefit Service to date and any Past Benefit Service.

The hours recorded on your payroll stubs should be the same as the hours your employer reports to the Benefits Office. Be sure to save all of your payroll stubs for the year and compare them to this statement. If there is a difference in the hours reported on your payroll stubs and the hours listed on the annual statement, please contact the Benefits Office immediately. Future Benefit Service is based on Plan Year hours from July 1 to June 30 of the following year.

Your benefit amount shown on this statement is **estimated** based on the records currently on file in the Benefits Office and assumes that you will retire at age 65 without any reduction for the 50% Husband and Wife Pension. **Your actual benefit amount may be lower than this estimated amount.**

Vesting Service

Vesting Service is the service used to determine whether you are eligible for a pension benefit.

A. Employment prior to July 1, 1962

For service prior to July 1, 1962, you will receive one year of Vesting Service for every Plan Year in which you received at least 5 months of Past Benefit Service.

B. Employment after July 1, 1962

On and after July 1, 1962, you will earn one year of Vesting Service for each Plan Year in which you work at least 700 hours in Covered Employment. The Trustees recognize that you may not have completed full years of service at the beginning and end of a period of Covered Employment. During these partial years, you will receive one month of Vesting Service for each month in which you complete at least 58 hours of work in Covered Employment.

C. Transfers to or from Covered Employment

If, on or after July 1, 1976, you are transferred by your employer from Covered Employment to a job category with the same employer not covered by the Standard Agreement, Otis agreement or other written agreement, you will still receive Vesting Service for each hour you work for your employer. Likewise, if on or after July 1, 1976 your employer transfers you from non-Covered Employment to Covered Employment, you will receive Vesting Service for all hours (including non-covered hours) you worked for that employer.

D. Probationary Hours

On or after July 1, 1976, you may still be eligible for a year of Vesting Service even if you have completed less than 700 hours of work as an employee during your first year of Covered Employment. If your hours of work as a probationary helper and your hours as an employee total 700 or more during such Plan Year, you will be eligible for one year of Vesting Service.

E. Total Disability

On and after July 1, 1962, if you are absent from work because a physical or mental condition prevents you from engaging in any gainful employment, you may still receive Vesting Service. For this time to be credited, however, the Trustees must be furnished with medical evidence of the disability and you must have completed at least 700 hours of work in the 12-month period prior to the commencement of your Total Disability.

F. "Vested" Status

Once you are vested under the Plan, you have a non-forfeitable right to a pension benefit even if you do not continue to work in Covered Employment until retirement. There are several ways to become vested:

1. If you work in Covered Employment on or after July 1, 1989, you will become vested if you complete 5 years of Vesting Service since your most recent Break-in-Service, if any.

2. Effective July 1, 1975, you will be vested if you completed 10 years of Vesting Service since your most recent Break-in-Service, if any.

3. Effective July 1, 1973, you will be vested if you

completed 5 years of Vesting Service since your most recent Break-in-Service, if any, and your age plus your years and months of Vesting Service since your most recent Break-in-Service, if any, equal 50 or more.

4. You will be vested if you complete the age, service and other requirements for a Normal Retirement Pension or Early Retirement Pension.

G. Credit for Leave under the Family and Medical Leave Act of 1993

The Family and Medical Leave Act (FMLA) of 1993 entitles eligible employees to take up to 12 weeks of unpaid job protected leave each year for the employee's own illness, or to care for a seriously ill child, spouse or parent. In addition, the FMLA provides leave for the birth or placement of a child with the employee in the case of adoption or foster care. Employees eligible for leave under the FMLA are those who have been employed at least 12 months by the employer and who have provided at least 1250 hours of service to the employer. An employee at a work site at which there are less than 50 employees is not eligible for FMLA leave unless the total number of employees within a 75 mile radius of that employee equals or is greater than 50.

Eligible employees are entitled to credit for Vesting Service under the Plan while on leave. You will receive that amount of Vesting Service necessary to insure that you do not sustain a Break-in-Service for the period during which you are on FMLA leave. If you have any questions about the FMLA, you should contact your employer or the nearest office of the Wage and Hour Division, listed in most telephone directories under the

U.S. Government, Department of Labor, Employment Standards Administration.

Break-In-Service

A Break-in-Service refers to when an employee leaves Covered Employment. If you leave Covered Employment before you are vested, the Break-in-Service will temporarily or permanently cancel your Benefit Service and Vesting Service earned prior to the Break-in-Service. However, once you are vested under the Plan, you do not lose your Benefit Service or Vesting Service, regardless of the length of time you are away from Covered Employment.

A. Break in Future Service

From July 1, 1962 to July 1, 1973, you incurred a Break in Future Service if you did not have at least 200 hours of work in Covered Employment in any 24 consecutive month period. After June 30, 1973, you will incur a Break in Future Service if you do not complete at least 200 hours of work in Covered Employment in a 36 consecutive month period. You also incur a Break in Future Service if you withdraw your Accumulated Employee Contributions.

However, you will not suffer a Break in Future Service if your absence from Covered Employment is due to:

1. Your Total Disability.

2. Military service in the Armed Forces of the United States, provided you satisfy all requirements under applicable law.

3. Service with the International Union of Elevator

Constructors.

4. Service with the National Elevator Industry Educational Program.

5. Employment with an employer signatory to a collective bargaining agreement with the Union or an IUEC Local Union commencing on or after July 1, 1968 in a category of employment not covered by the collective bargaining agreement.

6. Employment with an employer signatory to a collective bargaining agreement commencing after July 1, 1962 and prior to July 1, 1968 in a category of employment not covered by a collective bargaining agreement between the Union or an IUEC Local Union and an employer. However, if such employment continued for more than 60 consecutive months, you will lose all of your Past Benefit Service (but not your Future Benefit Service).

7. Your pregnancy, the birth of your child, the placement of a child with you in connection with an adoption, or the care for such child for a period beginning immediately after such birth or placement, provided such absence begins after June 30, 1986. You will be credited with a maximum of 501 hours for such absence solely to prevent a Break-in-Service.

8. A family or medical leave under the Family and Medical Leave Act of 1993.

B. Break in Past Service

A Break in Past Service occurred if:

1. From July 1, 1932 to June 30, 1953, you did not receive at least two months of Past Benefit Service during each calendar year.

2. From July 1, 1953 to January 1, 1954, you were not reported on at least one employer monthly report form to the National Elevator Industry Health Benefit Plan (Health Benefit Plan) or you did not complete at least 100 hours of work running temporary cars.

3. From January 1, 1954 to January 1, 1962, you were not reported on at least two employer monthly report forms to the Health Benefit Plan or you did not complete at least 200 hours of work running temporary cars during each calendar year.

4. From January 1, 1962 to July 1, 1962, you were not reported on at least one employer monthly report form to the Health Benefit Plan or you did not complete at least 100 hours of work running temporary cars.

However, you did not incur a Break in Past Service if your absence from Covered Employment was due to Total Disability subsequent to January 1, 1957, military service in the Armed Forces of the United States (provided you satisfy all applicable requirements), or service with the Union or a Local Union.

C. Effect on Vested Employees

On or after July 1, 1976, if a vested employee incurs a Break-in-Service, he may not withdraw his employee contributions. He also will not lose his Vesting Service or Benefit Service. If a vested employee incurs a Break-In-Service prior to July 1, 1976 and withdraws his employee contributions, he will lose his vested status, Vesting Service and Benefit Service. If he returns to Covered Employment, he will be treated as a new employee for all Plan purposes.

D. Effect on Non-Vested Employees

If prior to July 1, 1973 you were not vested and incurred a Break-in-Service, you will have lost all your Vesting Service and Benefit Service prior to the Break. However, you may request a refund of your employee contributions made prior to the Break. If you then return to Covered Employment, you will be treated the same as any new employee.

Breaks-in-Service after July 1, 1973 shall have the same effect. However, if you return to Covered Employment and complete one year of Vesting Service, all Vesting Service and Benefit Service will be restored, provided you repay your withdrawn accumulated contributions, if any, plus interest.

PENSIONS

Eligibility for a Pension Benefit

The following are the eligibility requirements for the pensions provided by the Plan:

A. Normal Retirement Pension

You are eligible for a Normal Retirement Pension if you cease Covered Employment on or after age 65.

The amount of the Normal Retirement Pension is your Benefit Service multiplied by your Applicable Benefit Rate, as discussed below.

B. Early Retirement Pension

You are eligible for an Early Retirement Pension if you:

1. Stop work in Covered Employment between the ages of 55 and 65, or cease such work prior to age 55 and go to work without any gap in a non-covered job with a signatory employer or the Union and terminate that work after age 55;

2. Have completed at least 10 years of Vesting Service; and

3. Have at least 12,000 hours of work reported by employers in any ten consecutive Plan Year period.

If you filed your pension application on or after July 1, 1978 and were absent from Covered Employment at age 55 due to a Total Disability, you will be deemed to have been in Covered Employment at age 55 if you performed at least 700 hours during the 12 months prior to the Total Disability.

If you filed your pension application on or after July 1, 1988, were laid off after age 53 1/2, did not leave the elevator industry, were available for Covered Employment and actively seek such work until age 55, you will be deemed to have been in Covered Employment at age 55 if you performed at least 700 hours during the 12 months prior to layoff. Also, if you were between age 50 and 55 in 1995 and were laid off after age 50, do not leave the elevator industry, remain available for Covered Employment, and actively seek such a position until age 55, you will be deemed to be in Covered Employment at age 55 if you performed at least 700 hours during the 12 months prior to layoff.

If you filed your pension application on or after January 1, 1994 and are unable to work in the trade due to a Disability at age 55, you will be deemed to be in Covered Employment at that time if you became Disabled after age 40, remained Disabled due to the same cause until age 55, and completed at least 700 hours during the 12 months prior to the Disability, and were available for work in Covered Employment until you became Disabled. For purposes of this provision, Disability means the inability to perform the nominal and customary duties of your occupation or any similar or related occupation in the trade due to a bodily injury or disease. If this section applies to you, the Trustees may request that you submit to periodic examinations and provide proof of continued Disability.

You have your choice of having payments begin immediately upon retirement or when you reach age 65. If you choose to have your payments begin immediately, these payments will be reduced for each full calendar month between the date the Early Retirement Pension commences and the first day of the month following your 58th birthday.

C. Early Vested Pension and Normal Vested Pension

You may retire on an Early Vested Pension or a Normal Vested Pension if you leave Covered Employment before the age of 55 and have attained vested status.

A Normal Vested Pension may commence on or after your attainment of Normal Retirement Age. Normal Retirement Age is the later of:

1. age 65 or

2. your age on the 10th anniversary of participation in the Plan (5th anniversary if you worked in Covered Employment after July 1, 1989, but not earlier than when such work commenced).

The amount of the Normal Vested Pension is the same as the Normal Retirement Pension.

An Early Vested Pension may commence between the ages of 55 and 65. The amount of the Early Vested Pension is the Normal Retirement Pension reduced by one-half (½) of one (1) percent for each full calendar month between the date the Early Vested Pension commences and the first day of the month following your 65th birthday.

D. Disability Retirement Pension

In order to qualify for a Disability Retirement Pension, you must have a Total and Permanent Disability prior to age 65. Sole proof of such disability is a determination by the Social Security Administration that you are entitled to Social Security disability benefits. In addition, you must:

1. Have earned at least 5 years of Vesting Service; and

2. Have had at least 8,500 hours of work in Covered Employment reported to the Fund on your behalf; and

3. Have completed at least 200 hours of work in Covered Employment in the 36-month period immediately before your Social Security Disability Date.

You will lose your Disability Retirement Pension if you lose your entitlement to your Social Security Benefit before age 65, engage in regular gainful employment (except for purposes of rehabilitation), fail to respond to inquiries by the Trustees concerning your disability, the Trustees have determined that you have recovered, or you refuse to undergo a medical exam requested by the Trustees.

If you are receiving a Disability Retirement Pension and recover prior to age 65, you must report your recovery to the Benefits Office in writing within 30 days of such recovery (or your receipt of the termination notice of your Social Security benefits). If you do not so notify the Benefits Office of your recovery, you will not be eligible for benefits for a period equal to the number of months

between your recovery and termination of your Disability Retirement benefits.

If you retire and then return to Covered Employment, you may not qualify for a Disability Retirement Pension based on your hours and Vesting Service after your initial retirement.

If you recover and return to Covered Employment, you will continue to accumulate Benefit Service and Vesting Service towards a subsequent Normal, Early or Vested pension, and the amount you have received in Disability Benefits will not affect your future benefits from the Fund, except if you failed to timely notify the Benefits Office of your recovery, as discussed above.

A Disability Retirement Pension is not payable if you are receiving temporary disability benefits under the Health Benefit Plan.

If you are receiving an Early Retirement Pension, you may convert this pension into a Disability Retirement Pension if you meet the following requirements: (1) You file an application for Social Security Disability Benefits on or prior to your Early Retirement Effective Date that is approved by Social Security or receive a Social Security award stating that you were disabled prior to your date of Early Retirement; (2) your Social Security Entitlement Date is within 24 months of the date of your Early Retirement; and (3) you otherwise qualify for a Disability Retirement Pension.

The Amount of Your Pension

A. Applicable Benefit Rate - in General

The amount of your pension depends on your years of Benefit Service and your Applicable Benefit Rate (ABR).

Your ABR is the rate or rates in effect on your last day of Covered Employment if you completed at least 700 hours of work in Covered Employment during the 12 months preceding that date. If you did not complete 700 hours of work in the 12 months preceding your last day of Covered Employment, your ABR is the rate in effect on the last day of the most recent Plan Year (June 30th) in which you completed at least 700 hours of work in Covered Employment.

If you are deemed not to have incurred a Break-in-Service while working for the Union, your ABR is the rate in effect on the date your pension commences.

If you are a Disability pensioner, your ABR is the rate in effect on the effective date of your Social Security Disability award.

If you are absent from work due to Total Disability, your ABR is the rate in effect on the date your pension commences, provided you completed at least 700 hours of work in Covered Employment in the 12 months preceding the commencement of your Total Disability.

The following chart should be used to determine what your ABR will be:

Applicable Date				Rate Per Plan Year Of Past Service Credit	Rate Per Plan Year of Future Service Credit (1,700 hours)
From	1/1/98	forward		$75.00	$75.00
From	1/1/97	through	12/31/97	72.00	72.00
From	1/1/96	through	12/31/96	69.00	69.00
From	1/1/95	through	12/31/95	68.00	68.00
From	1/1/94	through	12/31/94	66.00	66.00
From	1/1/93	through	12/31/93	64.00	64.00
From	1/1/92	through	12/31/92	63.00	63.00
From	1/1/91	through	12/31/91	60.00	60.00
From	1/1/90	through	12/31/90	57.00	57.00
From	1/1/89	through	12/31/89	53.00	53.00
From	1/1/88	through	12/31/88	50.00	50.00
From	1/1/87	through	12/31/87	44.00	44.00
From	1/1/86	through	12/31/86	40.00	40.00
From	1/1/85	through	12/31/85	32.00	32.00
From	1/1/84	through	12/31/84	29.00	29.00
From	1/1/83	through	12/31/83	26.00	26.00
From	7/1/81	through	12/31/82	23.00	23.00
From	7/1/80	through	06/30/81	18.00	18.00
From	10/1/79	through	06/30/80	16.00	16.00
From	7/1/78	through	09/30/79	15.00	15.00
From	4/1/76	through	06/30/78	8.00	11.00
From	7/1/73	through	03/31/76	7.00	10.00
From	7/1/70	through	06/30/73	4.00	8.00

B. Applicable Benefit Rate for Employees who Transferred From Covered Employment to a Non-covered Position

The following chart reflects the ABR for each year of Past Benefit Service and for each 1,700 hours of Future Benefit Service effective January 1, 1986 for certain former employees who transferred from Covered Employment to employment with an employer in a category of work not covered by a collective bargaining agreement between the Union or one of its Local Unions and an employer. These rates are only applicable to those transferred employees who are continuously employed by an employer from the date of transfer to the date of

retirement from this Plan either in Covered Employment or in a category of work not covered by a collective bargaining agreement between the Union or one of its Local Unions and an employer. These rates are applicable unless a higher rate applies under the Plan.

Date of Transfer			Effective Benefit Accrual Rate Transfers
Prior to 10/1/79			$18.00
From 10/1/79	through	06/30/80	$18.48
From 7/1/80	through	06/30/81	$20.79
From 7/1/81	through	12/31/82	$26.45
From 1/1/83	through	12/31/83	$29.90
From 1/1/84	through	12/31/84	$33.35
From 1/1/85	through	12/31/85	$36.80

Effective January 1, 1996, the minimum ABR for such employees was $26. Effective January 1, 1997, the minimum ABR was increased to $30. Effective January 1, 1998, the minimum ABR was increased to $31.20.

C. Minimum Applicable Benefit Rate

As of January 1, 1996, a retiree's monthly pension shall be the greater of:

1. The monthly benefit the retiree (or surviving beneficiary) is receiving as of December 31, 1995, including adjustments previously elected for early retirement and benefit options, if applicable, and including previously adopted retiree benefit increases; or

2. the retiree's (or surviving beneficiary's) monthly benefit recalculated on the basis of an ABR of $26 and then applying the same adjustments previously

elected for early retirement and benefit options, if applicable, but not applying previously adopted retiree increases.

Except for retired elevator inspectors, this does not apply to those in receipt of a Vested Retirement Pension.

Effective January 1, 1996, the minimum ABR shall be $26* for all those who retire in the future as early retirees, disability retirees and normal retirees, and for those who have been working as elevator inspectors within six months of the date of retirement. The minimum ABR shall not apply to those who receive a Vested Retirement Pension.

* The $26 minimum ABR for current and future retirees was increased to $30 effective January 1, 1997. The $30 minimum ABR for current and future retirees was increased to $31.20 effective January 1, 1998.

D. Examples

1. Normal Retirement Pension

To determine the amount of a Normal Retirement Pension, multiply your years of Past and Future Benefit Service by your ABR.

Example: John retires in May 1998 at the age of 65. His ABR is $75.00. He has 10 years of Past Benefit Service and 40,800 hours of Future Benefit Service. The amount of John's monthly pension will be:

Future Benefit Service: 40,800 = 24 years x $75.00 = $1,800.00

	1,700		
Past Benefit Service:		10 years x $75.00	= $ 750.00
Total Monthly Benefit:			$2,550.00

John will be entitled to a monthly pension of $2,550. This amount will be adjusted for any Husband and Wife Pension he elects if he is married.

2. Deferred Early Retirement Pension

Deferred Early Retirement Pensions are calculated in the same manner as Normal Retirement Pensions. However, payments do not begin until you reach 65 even though you have actually retired between the ages of 55 and 65.

Example: Joe leaves Covered Employment in February of 1998 at the age of 55. He has 5 years of Past Benefit Service and 37,400 hours of Future Benefit Service. He chooses a Deferred Early Retirement Pension. The ABR for an employee who leaves covered service in February 1998 is $75.00.

Future Benefit Service:	37,400 / 1,700	= 22 years x $75.00	= $1,650.00
Past Benefit Service:		5 years x $75.00 =	$ 375.00
Total Monthly Benefit:			$2,025.00

Joe will begin receiving $2,025.00 per month on his 65th birthday in 2008. This amount will be adjusted for any Husband and Wife Pension he elects if he is married at that time.

3. Immediate Early Retirement Pension

If you retire between the ages of 55 and 65 and you elect to have your pension payments begin before the age of 58, the amount of these immediate Early Retirement Pension payments will be reduced. The following chart shows the amount of this reduction for full years, for pensions effective July 1, 1997 and thereafter.

Age When Payment Begins	**Percent You Receive**
58	100%
57	97%
56	94%
55	91%

The reduction is adjusted for less than full years and is equal to one-fourth (¼) of one percent for each full calendar month between the first day of the month following your 55th and 58th birthdays.

Example: Frank leaves Covered Employment in July 1998 at the age of 55. He has 5 years of Past Benefit Service and 41,650 hours of Future Benefit Service. In July 1998, Frank's ABR would be $75.00 for Past and Future Benefit Service. Since Frank is only 55 and has chosen to have payments begin immediately, he will receive 91% of his normal monthly pension.

Future Benefit Service: 41,650 = 24.5 years x $75.00 = $1,837.50

	1,700		
Past Benefit Service:		5 years x $75.00 =	$ 375.00
Total Monthly Benefit:			$2,212.50
Percentage Payable for Early Retirement Pension			x .91
Monthly Early Retirement Pension:			$2,013.37

Frank will receive an Early Retirement Pension of $2,013.37 per month, adjusted for any Husband and Wife Pension he elects if he is married.

4. Normal Vested Pension

If you leave Covered Employment before the age of 55 but are vested, you will receive a pension based on the basic formula. Your payments will not begin until you are 65, unless you elect an Early Vested Pension.

Example: Nick left Covered Employment in August 1994 at the age of 54. He is not eligible for an Early Retirement Pension because he left Covered Employment before the age of 55. However, Nick is vested and is eligible for a pension. Nick has 34,000 hours of Future Benefit Service and 2 years of Past Benefit Service. The ABR when Nick left Covered Employment was $66.00 a year for Past and Future Benefit Service.

Future Benefit Service:	34,000 / 1,700	= 20 years x $66.00	= $1,320.00
Past Benefit Service:		2 years x $66.00 =	$ 132.00
Total Monthly Benefit:			$1,452.00

In 2005, at age 65, Nick can begin receiving pension payments of $1,452.00 a month, which will be adjusted for any Husband

and Wife Pension he elects if he is married at that time.

5. Early Vested Pension

If you leave Covered Employment before the age of 55 and are vested, you are eligible for a pension and you may elect to have your pension payments begin at any age between 55 and 65. These payments will be calculated by using the formula for determining the Normal Retirement Pension. However, because you will be receiving benefits for a longer period of time, your monthly payment will be reduced. The following chart shows the percentage of the Normal Retirement Benefit you will receive if you elect to receive payments before age 65.

Age When Payment Begins	**Percent You Receive**
65	100%
64	94
63	88
62	82
61	76
60	70
59	64
58	58
57	52
56	46
55	40

The reduction is one-half (½) of one (1) percent for each full calendar month between the date the Early Vested

Pension commences and the first of the month following your 65th birthday.

Example: Bob left Covered Employment in September of 1993 at age 54. Since he terminated Covered Employment prior to age 55, he is ineligible for an Early Retirement Pension. Bob, however, is vested. Bob has 32,300 hours of Future Benefit Service and 3 years of Past Benefit Service. He wishes for his payments to begin in September of 1996 when he is 57 years old. In September of 1993, when Bob left Covered Employment, his ABR was $64.00 a year for Past and Future Benefit Service. Since Bob has elected to receive payments beginning at age 57, he will receive 52% of his Normal Retirement Pension.

Future Benefit Service:	32,300 / 1,700 = 19 years x $64.00 =	$1,216.00
Past Benefit Service:	3 years x $64.00 =	$ 192.00
Total Monthly Benefit:		$1,408.00
Percentage Payable for Early Vested Pension:		x .52
Monthly Early Vested Pension:		$ 732.16

Bob's monthly pension beginning at age 57 will be $732.16, and will be adjusted for any Husband and Wife Pension he elects if he is married at that time.

6. Disability Retirement Pension

A Disability Retirement Pension is calculated like a Normal Retirement Pension. Payments may begin at any age as long as you meet the eligibility requirements.

Example: George becomes Totally and Permanently Disabled and receives a Social Security Award effective May 1998 when he is 45 years old. George worked 700 hours in the 12 months preceding his Disability retirement. At this point, George has 34,000 hours of Future Benefit Service and no years of Past Benefit Service. On the effective date of his Social Security Award, the ABR was $75.00 for Future Benefit Service. This applies to George as follows:

Future Benefit Service: $\frac{34,000}{1,700}$ = 20 years x $75.00 = $1,500.00

George's Disability Retirement Pension will be $1,500.00 per month, subject to an adjustment for any Husband and Wife Pension if he is married. A Disability Retirement Pension, prior to any adjustment for the Husband and Wife Pension, will never be less than $175.00 per month.

E. Multiple Benefit Rates

Under certain circumstances your monthly pension may be calculated using more than one ABR. This will happen if:

1. you leave Covered Employment after you are vested or for one of the reasons specified under the Break in Future Service Section on page 6, and you later return to Covered Employment,

or

2. you have a Break-in-Service on or after July 1, 1973 and your service is restored upon your return to Covered Employment.

Under these circumstances, your monthly pension will be calculated in two parts. Your pension will equal

1. Your Benefit Service at the time you first left Covered Employment or preserved your pension credits multiplied by your ABR at that time or the applicable rates in effect on July 1, 1970, whichever is greater,

plus,

2. Your Benefit Service after your return to Covered Employment multiplied by your subsequent ABR when you retire.

However, if you complete 5 years of Vesting Service after your return to Covered Employment, your subsequent ABR will be applied to your *total* Benefit Service.

For purposes of the multiple benefit rate rules, you will be deemed to have left Covered Employment if you fail to work at least 200 hours in any 36-month period.

However, until June 30, 1998, you will not be deemed to have left Covered Employment after being vested if you leave Covered Employment because there is no available covered work, you do not leave the elevator industry of participating Employers, you are registered on the referral list of your home IUEC local union, you regularly contact that local for work opportunities, you are available for work in Covered Employment, you do not refuse work when offered, and your total absence from Covered Employment (for all of your absences covered by this section) does not exceed six (6) years if your pension effective date is between July 1, 1997 and December 31, 1997, and five (5) years if your pension effective date is January 1, 1998 to June 30, 1998. You and your local union must submit sufficient proof that you satisfy the foregoing conditions for this rule to apply to you. This limited exception to the above 200 hour rule automatically expires on June 30, 1998.

Example: Andy left Covered Employment in April 1978 when he was vested with 29,750 hours of Future Benefit Service and 5 years of Past Benefit Service. The ABR at that time was $11.00 for Future Benefit Service and $8.00 for Past Benefit Service. Andy returned to Covered Employment in June 1984 and subsequently retired in May 1986. He accrued 3,400 hours of Future Benefit Service after his return and the ABR at the time he retired was $40.00. Andy's monthly benefit is:

1. **Before leaving Covered Employment**

Future Benefit Service:	29,750 / 1,700 =	17.5 years x $11.00 =	$192.50
Past Benefit Service:		5 years x $ 8.00 =	$ 40.00

plus

2. **After return to Covered Employment**

Future Benefit Service:	3,400 / 1,700 =	2 years x $40.00 =	$ 80.00
Total Monthly Benefit:			$312.50

Andy will receive a monthly benefit of $312.50, adjusted for any Husband and Wife Pension if he is married. However, if Andy had completed 5 years of Vesting Service after he returned to Covered Employment in 1984, his *entire* monthly pension would have been calculated on the basis of his subsequent ABR.

F. Temporary Supplemental Pension Benefit

If you worked in Covered Employment or a non-covered position with a signatory employer through your retirement date and are in receipt of an Early Retirement Pension as of July 1, 1996 or thereafter, you are eligible for a monthly Temporary Supplemental Pension Benefit. A participant who has worked as an elevator inspector within six months of his retirement date will also be eligible for this temporary benefit. The amount of this Temporary Benefit is equal to $5 multiplied by your years of Benefit Service (based on Past and Future Service), but in no event greater than your Social Security benefits. This Temporary Supplemental

Pension Benefit will commence for new early retirees on

or after July 1, 1996 and cease on the earliest of the following events:

1. the first of the month following your 62nd birthday;

2. your date of death; or

3. when your Social Security benefits commence.

The Temporary Supplemental Pension Benefit is not payable to a Disability Pensioner, including one that has been converted from an Early Retirement pension. The Temporary Supplemental Pension Benefit is also not payable to a spouse or beneficiary.

NORMAL AND OPTIONAL BENEFIT FORMS

If you qualify for a pension, the Plan provides for normal and optional forms of payment.

Normal Form of Payment If You Are Not Married

If you are not married on your Effective Date, you will receive equal monthly payments until your death in the Straight Life Benefit form, unless you file a timely rejection of that benefit form and choose to receive your pension in an optional form, discussed below.

Your pension in this form will be unreduced, except for early retirement if applicable.

To be timely, any rejection of the Straight Life Benefit must be filed within 90 days before your Effective Date. It must, however, be made after you have received an explanation from the Fund of the various payment options and how they affect the

amount of your pension. You can revoke a waiver or file a new waiver anytime within the 90-day period after your receipt of the benefit explanation and prior to your Effective Date.

<u>Normal Form of Payment If You Are Married</u>

If you are married on your Effective Date, your payment will automatically be in the form of a 50% Husband and Wife Pension unless you file a timely rejection of this form. However, for the 50% Husband and Wife Pension form to be payable, you must have been married on your date of death and have been married throughout the year ending with your Effective Date, or you and your spouse married within the year immediately preceding your Effective Date and were married for at least a year before your death. A former spouse may be entitled to benefits if you were divorced after being married for at least twelve months and your former spouse is required to be treated as a spouse by the terms of a Qualified Domestic Relations Order.

If a 50% Husband and Wife Pension would be payable except that you were not married for at least a year on your Effective Date, your pension payments shall be made in the amount adjusted for the 50% Husband and Wife Pension and if you and your spouse have not been married to each other for at least a year before your death, the difference between the amount that had been paid and the amount that would have been paid if the monthly amount had not been adjusted shall be paid to your spouse, if then alive, and otherwise to your designated beneficiary.

The Benefits Office will furnish you with an explanation of this benefit form and the other payment options available under the Plan no more than 90 days before your pension Effective Date. After you receive this information, you and your spouse may decide in what form you want your pension paid. To properly waive the normal form, your spouse must consent to your waiver

in writing before a notary and acknowledge its effect. Your spouse must also consent to your selected optional benefit form. You may not later change your optional form without your spouse's consent.

You and your spouse may revoke your waiver or file a new waiver after your receipt of the explanation and before your Effective Date. Despite the above, a rejection of the normal form may not be necessary if you can prove that you are not married, that your spouse can't be located or that your spouse's consent can't be obtained because of extenuating circumstances, as provided by the IRS.

Under the 50% Husband and Wife Pension, your monthly pension will be reduced. The amount of the reduction will depend on the ages of you and your spouse. If your spouse survives you, your spouse will be entitled to one-half of your reduced monthly benefits for the rest of his or her life.

Example: Brian, a married employee, retires in July 1998 at age 65 and receives a Normal Retirement Pension. He has 4 years of Past Benefit Service and 43,350 hours of Future Benefit Service. His ABR is $75.00 for each year of Past and Future Benefit Service. Brian is married and is 6 years and 3 months older than his wife. Under the 50% Husband and Wife Pension, he will receive 89% of his monthly benefit. His monthly benefit would be:

Future Benefit Service:	$\frac{43{,}350}{1{,}700}$ =	25.5 years x $75.00 =	$1,912.50	
Past Benefit Service:		4 years x $75.00 =		$ 300.00
Total Monthly Benefit:			$2,212.50	
Percentage Payable Under 50% Husband and Wife Pension				x .89
Total Monthly Pension:			$1,969.12	

Brian will receive $1,969.12 per month. Upon Brian's death, his wife will receive one-half of his reduced benefit. In other words, she will receive $984.56 per month for her life.

If you elected a Husband and Wife Pension after July 1, 1980 and your spouse predeceases you or is divorced from you, your pension benefit shall be increased, effective the month following the month of your spouse's death or the divorce, to the amount which would have been payable to you if you and your spouse had elected the Straight Life Benefit.

If you and your spouse are divorced, your pension will not increase if your former spouse is required to be treated as your spouse under a Qualified Domestic Relations Order.

You and your spouse must also satisfy the above rules if you elect your pension to be paid in the 75% or 100% joint and survivor form, with or without the life certain option.

Optional Forms of Payment

If you are not married on your Effective Date and you formally reject the normal form of benefit for unmarried employees (the Straight Life Benefit), you may elect to have your payments made in one of the following forms:

A. As a Five-Year Certain and Life Benefit under which a reduced monthly benefit will be paid to you for your lifetime and, if you die before receiving 60 monthly payments, your designated beneficiary will receive the same monthly benefit for the duration of the 60-month period; or

B. As a 10-Year Certain and Life Benefit under which a reduced monthly benefit will be paid to you for your

lifetime and, if you die before receiving 120 monthly payments, your designated beneficiary will receive the same monthly benefit for the duration of the 120-month period.

Your monthly benefit under these optional forms will be a percentage of the full monthly amount otherwise payable as a Straight Life Benefit after adjustment for early retirement, if applicable.

If you are married on your Effective Date, with proper spousal consent, you may elect to have your pension paid in one of the following optional forms rather than the automatic 50% Husband and Wife Pension:

A. As a Straight Life Benefit, which is an unreduced benefit payable for your lifetime only. This election will require your spouse's written consent.

B. As a 75% Husband and Wife Pension. A reduced benefit will be paid to you for your lifetime and, upon your death 75% of the reduced payments will be continued to your spouse.

C. As a 100% Husband and Wife Pension. A reduced benefit will be paid to you for your lifetime and upon your death the same monthly payments will be continued to your spouse.

D. As a 50% Husband and Wife Pension with a Five-Year Certain and Life Benefit Option. A reduced benefit will be paid to you for your lifetime and if you die before receiving 60 monthly payments, your spouse will receive the same monthly benefit for the duration of the 60-month period. Your spouse will then receive 50% of your reduced monthly benefit for her lifetime. If your spouse dies before the expiration of the 60-month period, your

designated beneficiary will receive a monthly benefit for the remainder of the 60-month period equal to 100% of your monthly benefit reduced only for the Five-Year Certain Benefit form and, if applicable, early retirement. If you die after receiving 60 months of payments, your spouse will receive 50% of your reduced monthly pension for her lifetime.

Your monthly benefit shall be a percentage of the full monthly amount otherwise payable as a Straight Life Benefit (after adjustment, if any, for early retirement).

E. As a 50% Husband and Wife Pension with a 10-Year Certain and Life Benefit Option. A reduced benefit will be paid to you for your lifetime and if you die before receiving 120 monthly payments, your spouse will receive the same monthly benefit for the duration of the 120-month period. Your spouse will then receive 50% of your reduced monthly benefit for her lifetime. If your spouse dies before the expiration of the 120-month period, your designated beneficiary will receive a monthly benefit for the remainder of the 120-month period equal to 100% of your monthly benefit reduced only for the Ten-Year Certain Benefit form and, if applicable, early retirement. If you die after receiving 120 months of payments, your spouse will receive 50% of your reduced monthly pension for her lifetime.

Your monthly benefit shall be a percentage of the full monthly amount otherwise payable as a Straight Life Benefit (after adjustment, if any, for early retirement).

F. As a 75% Husband and Wife Pension with a Five-Year Certain and Life Benefit Option. A reduced benefit will be paid to you for your lifetime and if you die before receiving 60 monthly payments, your spouse will receive the same monthly benefit for the duration of the 60-month

period. Your spouse will then receive 75% of your reduced monthly benefit for her lifetime. If your spouse dies before the expiration of the 60-month period, your designated beneficiary will receive a monthly benefit for the remainder of the 60-month period equal to 100% of your monthly benefit reduced only for the Five-Year Certain Benefit form and, if applicable, early retirement. If you die after receiving 60 months of payments, your spouse will receive 75% of your reduced monthly pension for her lifetime.

Your monthly benefit shall be a percentage of the full monthly amount otherwise payable as a Straight Life Benefit (after adjustment, if any, for early retirement).

G. As a 75% Husband and Wife Pension with a 10-Year Certain and Life Benefit Option. A reduced benefit will be paid to you for your lifetime and if you die before receiving 120 monthly payments, your spouse will receive the same monthly benefit for the duration of the 120-month period. Your spouse will then receive 75% of your reduced monthly benefit for her lifetime. If your spouse dies before the expiration of the 120-month period, your designated beneficiary will receive a monthly benefit for the remainder of the 120-month period equal to 100% of your monthly benefit reduced only for the Ten-Year Certain Benefit form and, if applicable, early retirement. If you die after receiving 120 months of payments, your spouse will receive 75% of your reduced monthly pension for her lifetime.

Your monthly benefit shall be a percentage of the full monthly amount otherwise payable as a Straight Life Benefit (after adjustment, if any, for early retirement).

H. As a 100% Husband and Wife Pension with a Five-Year Certain and Life Benefit Option. A reduced benefit will

be paid to you for your lifetime and if you die before receiving 60 monthly payments, your spouse will receive the same monthly benefit for the duration of the 60-month period. Your spouse will then receive 100% of your reduced monthly benefit for her lifetime. If your spouse dies before the expiration of the 60-month period, your designated beneficiary will receive a monthly benefit for the remainder of the 60-month period equal to 100% of your monthly benefit reduced only for the Five-Year Certain Benefit form and, if applicable, early retirement. If you die after receiving 60 months of payments, your spouse will receive 100% of your reduced monthly pension for her lifetime.

Your monthly benefit shall be a percentage of the full monthly amount otherwise payable as a Straight Life Benefit (after adjustment, if any, for early retirement).

I. As a 100% Husband and Wife Pension with a 10-Year Certain and Life Benefit Option. A reduced benefit will be paid to you for your lifetime and if you die before receiving 120 monthly payments, your spouse will receive the same monthly benefit for the duration of the 120-month period. Your spouse will then receive 100% of your reduced monthly benefit for her lifetime. If your spouse dies before the expiration of the 120-month period, your designated beneficiary will receive a monthly benefit for the remainder of the 120-month period equal to 100% of your monthly benefit reduced only for the Ten-Year Certain Benefit form and, if applicable, early retirement. If you die after receiving 120 months of payments, your spouse will receive 100% of your reduced monthly pension for her lifetime.

Your monthly benefit shall be a percentage of the full monthly

amount otherwise payable as a Straight Life Benefit (after adjustment, if any, for early retirement).

Under Options D through I, if your spouse dies before you, your pension will "pop up" to a percentage of the full monthly amount otherwise payable to you as a Straight Life Benefit after adjustment, if any, for early retirement. If you die after your spouse but before the term certain period has expired, your designated beneficiary will receive a monthly benefit for the balance of the period. Your beneficiary's benefit will be 100% of your monthly benefit, reduced only for the certain and life benefit form and early retirement, if applicable.

The amount of the reduction under Options B through I will depend upon the ages of you and your spouse and the percentage of your monthly pension to be continued to your spouse.

PROTECTION FOR YOUR SURVIVING SPOUSE BEFORE YOU RETIRE

If you are vested, the Plan provides automatic protection for your spouse if you die before you retire or begin receiving benefits.

Pre-Retirement Spouse's Benefit

If you are vested and die while in Covered Employment, your spouse will automatically receive a benefit. The benefit your spouse will receive is equal to one-half (1/2) of your monthly benefit calculated as if you retired on a Normal Retirement Pension in the Straight Life Benefit form on the first day of the month in which your death occurs. The same rule applies if you are vested and die while on layoff for not more than 24 months, or you are absent from Covered Employment but your absence will not result in a Break-in-Service as provided by the Plan.

Upon the death at any age of a married employee who has at least 7 years of Vesting Service and at least 17,000 hours of work

reported on his behalf who dies within 90 days of the last date the employee completed at least one hour of work in Covered Employment, his spouse shall be entitled to receive a monthly pension benefit of one-half (1/2) of the employee's monthly benefit calculated as if he retired on a Normal Retirement Pension in the Straight Life Benefit form on the first day of the month in which his death occurs.

If your spouse files an application for her benefits within nine months after your death, all payments will be retroactive to the date of death; otherwise, payments will begin after your spouse's application is received by the Benefits Office.

Spouse's Benefit - Terminated Vested Employees

A pre-retirement spouse benefit will be paid to your surviving spouse if you are vested and worked under the Plan after August 22, 1984, die before your pension begins, and die when you are neither performing Covered Employment, nor are on a layoff of up to 24 months or are absent from Covered Employment for a reason that would not result in a Break-in-Service (see page 6).

For this benefit to be effective, you and your spouse must have been married to each other for at least a one year period ending on your date of death, or if you are divorced a Qualified Domestic Relations Order requires your former spouse to be treated as a spouse for purposes of this benefit.

A. Spouse's Benefit After You Attain Age 55 But Before Your Payments Begin

If you are vested and die after leaving Covered Employment on or after age 55 but before your payments begin, your spouse will be protected. Your spouse will receive a benefit equal to one-half the Early Retirement Pension you would have received if you had retired on the first day of the month in which you died, reduced for the

50% Husband and Wife Pension.

B. Spouse's Benefit Before You Attain Age 55 But Before Your Payments Begin

If you are vested and die after leaving Covered Employment prior to age 55, your spouse may also be protected. If you left Covered Employment between July 1, 1976 and prior to August 23, 1984, you may elect to have a spouse's benefit be paid to your surviving spouse under this provision. If you leave Covered Employment on or after August 23, 1984, your spouse is automatically covered for this survivor's protection.

The lifetime benefit payments to your spouse begin on the first of the month after her application is filed with the Plan, but they cannot begin before the first of the month following your 55th birthday. The payment to your spouse is equal to one-half of your deferred Vested Pension, reduced for the early Vested pension and the 50% Husband and Wife Pension.

Example: Jim, a married employee, terminates Covered Employment in October 1996 at age 48. He has 40,800 hours of Future Benefit Service and no Past Benefit Service. His ABR is $69.00. His monthly benefit at age 65 would be:

Future Benefit Service: $\frac{40,800}{1,700}$ = 24 years x $69.00 = $l,656.00

Vested Pension at Age 65: $1,656.00

Jim dies two years later at age 50 and has a surviving spouse, age 46. His spouse would be eligible for a monthly benefit, payable when Jim would have been age 55. The benefit would be:

Deferred Vested Benefit:	$1,656.00
Percentage Payable for Early Vested Pension	x .40

		$ 662.40
Percentage Payable for 50% Husband and Wife Pension		x .908
		$ 601.45
Percentage Payable to Spouse	x .50	
Spouse's Monthly Benefit:		$ 300.72

Jim's wife would receive a benefit of $300.72 per month beginning in October 2003.

Lump Sum Cashout of Spouse's Benefit

If you die prior to retirement, your spouse is entitled to a benefit, and the present value of your spouse's benefit is $3,500.00 or less, the Trustees may make a lump sum payment of the benefit to which your surviving spouse is entitled instead of monthly payments.

Retired Employees' Death Benefits

Upon the death of a retired employee who is either unmarried on the date of his death or who is married and has elected the Straight Life Benefit, the Employee's designated beneficiary will receive a lump sum payment consisting of the excess, if any, of the employee's Accumulated Employee Contributions to the date the pension commences over the total amount of the pension payments received by the employee and any other payments required to be made under the terms of a Qualified Domestic Relations Order.

Upon the death of a married retired employee who has not elected the Straight Life Benefit and following the death of the retired employee's spouse, the designated beneficiary will receive a lump sum consisting of the excess, if any, of the employee's Accumulated Employee Contributions to the date the pension commences over the total amount of the pension payments received by the employee and his spouse.

A lump sum death benefit of $5,000.00 is also payable to your designated beneficiary if you are receiving a Normal, Early,

Vested or Disability Pension. However, this benefit is not payable if you are receiving a Disability Retirement Pension and are entitled to life insurance benefits under the Health Benefit Plan.

<u>Pre-Retirement Death Benefit - Return of Employee Contributions</u>

If you are active or vested and die before receiving a pension, and you are not married or your spouse is not entitled to a pre-retirement spouse benefit, your designated beneficiary will receive your Accumulated Employee Contributions in a lump sum.

If your surviving spouse is eligible for a pre-retirement surviving spouse benefit and upon her death the total of all pension payments made on your behalf (to you and/or your spouse) does not equal your Accumulated Employee Contributions, then the excess will be paid to your designated beneficiary.

<u>Return of Employee Contributions</u>

Before the Plan Year commencing July 1, 1982, the Plan was financed by both employer and employee contributions. You may receive your Accumulated Employee Contributions, if any, in a lump sum at any age if you are not vested, and you have suffered a Break-in-Service or left Covered Employment for at least 12 months. Also, you must not have accrued any hours of Covered Employment for at least six months before you apply for a refund and must not have received any pension from the Fund. Your spouse, if any, must consent in writing to your withdrawal. The consent must be notarized and acknowledge the effect of the withdrawal.

If, at age 65, you are not eligible for any benefit, you will automatically receive your Accumulated Employee Contributions, if you have not already done so.

Waiver of Benefits

You may be able to waive any portion of your monthly pension benefit in order to satisfy eligibility requirements for government-provided benefits. You have the right to revoke this waiver at any time, however, you are not entitled to any benefits previously waived. You may not waive any benefits payable to your surviving spouse or any benefits which are required to be made to you by law as a mandatory distribution.

Designated Beneficiary

You may name a beneficiary or beneficiaries to receive benefits by completing and filing a beneficiary designation form with the Benefits Office. A designation or change of beneficiary will be effective upon its *receipt* by the Benefits Office prior to your death.

Upon the death of an Employee who has no properly designated beneficiary, who has divorced his designated beneficiary, or whose designated beneficiary has predeceased him, amounts otherwise payable to a designated beneficiary shall be paid to the following in the order listed:

1. The employee's spouse
2. The employee's children
3. The employee's parents
4. The employee's personal representative

Amounts shall be paid to individuals in a category only if there are no persons in a higher category who survive you. Amounts will be divided equally among all persons in a category.

Notwithstanding anything herein to the contrary, if you are married and with your spouse have elected the Straight Life

Benefit, you may change your designated beneficiary only with the consent of your spouse. Such consent must be in writing, must acknowledge the beneficiary or beneficiaries so designated, and must be witnessed by a notary.

Applying for Benefits

To receive a benefit from the Pension Fund, you or your beneficiary must file an application form. Applications are available from the Benefits Office. You must complete and return your application to the Plan Administrator, at the Benefits Office, prior to your intended Effective Date. It is very important that you complete the application and provide any necessary documents - such as birth certificates, marriage certificates and a disability award (if you are applying for a disability pension). If you do not complete the form or if the documents are missing, it may delay the commencement of your pension payments.

RIGHT TO APPEAL

If your application for benefits is denied in whole or in part, the Benefits Office will provide you with a written notice which sets forth the reasons for the denial, references to any pertinent Plan provisions, a description of any additional material or information which might help your claim, and an explanation of why that information is necessary.

If you receive such a notice and are dissatisfied with the response of the Benefits Office or if you disagree with a policy, determination or action of the Benefits Office, you may request the Board of Trustees to review your benefit denial or the policy, determination or action with which you disagree, by submitting a written appeal to the Trustees. Your written appeal must be submitted within 180 days of receiving the notice of denial of benefits or within 60 days after you learn of a policy, determination or action with which you disagree and which is not a benefits denial.

Your written appeal should state the reasons for your appeal. This does not mean that you are required to cite all applicable Plan provisions or to make "legal" arguments; however, you should state clearly why you believe you are entitled to the benefit you claim or why you disagree with a policy, determination or action. The Trustees can best consider your position if they clearly understand your claims, reasons and/or objections.

The Trustees or a designated Committee of the Trustees will review your appeal at their quarterly meeting immediately following the receipt of your appeal unless your appeal was received by the Benefits Office within 30 days of the date of the meeting. In this case, your appeal will be reviewed at the second quarterly meeting following receipt of the appeal. You may wish to contact the Benefits Office concerning the date of the next meeting so that you may submit your appeal in time to be reviewed at that meeting. If special circumstances require an extension of the time for review by the Trustees or Committee, you will be notified in writing.

You will receive written notice of the decision of the Trustees or Committee promptly after review by the Trustees or Committee. The notice will explain the reasons for the decision, will include specific references to Plan provisions on which the decision is based, and may indicate if additional information might help your claim.

You may renew your appeal if you have any additional information or arguments to present. A renewed appeal must be submitted in writing, and the rules and time limits stated above apply.

In connection with an appeal or renewed appeal, you may review pertinent documents in the Benefits Office after making appropriate arrangements, or you may request that documents be

provided to you. The Benefits Office may charge $.25 per page to provide documents to you, and this amount must be paid in advance.

DISTRIBUTION REQUIREMENTS

Action of Trustees

The Trustees shall have discretionary authority to make interpretations of this Plan as are necessary to carry out the intent and purpose of the Plan and provide for its effective administration.

In all actions regarding determinations concerning benefit eligibility, the Trustees shall be the sole judge of:

A. the standard of proof required in any case;
B. the application and interpretation of the Plan;
C. the amount or entitlement to a pension; and
D. the crediting of Future or Past Benefit Service.

The decisions of the Trustees with respect to any of the foregoing shall be final and binding on all parties.

When Benefits Begin

Your pension will generally be payable on the first day of the first month after you have met all the requirements for entitlement to benefits. Remember, such requirements include filing a completed pension application in advance of the date you want your pension payments to be effective.

Mandatory Benefit Commencement

You may not delay the commencement of your pension beyond the date established by federal law.

Maximum Limitations Under the Internal Revenue Code

The Internal Revenue Code imposes a maximum limit on the amount of benefits you may receive from the Plan during any year. The Benefits Office will let you know if these limits apply to you.

Eligible Rollover Distributions

If you receive an eligible rollover distribution from the Plan, you may elect to have all or any portion of the distribution directly rolled over to an eligible retirement plan you specify, or paid to you. If you choose a direct rollover, no income tax will be withheld. If you choose to have your benefit paid to you, the Fund must withhold 20% of the payment and send it to the IRS to be credited against your taxes. More information on the rollover rules and the tax consequences of Plan payments will be provided to you by the Plan Administrator before payment is made to you.

WORKING AFTER RETIREMENT

You are expected to retire from the trade to receive a pension. Working at the trade after your pension starts may cause your pension to be suspended, as explained below.

Disqualifying Employment

If you are receiving a pension from the Fund and you are under age 65, you cannot perform any work of the type covered by the trade or craft jurisdiction of the Union, including supervisory work, or employment or self-employment in any category of work in the elevator industry.

If you are receiving a pension from the Fund and you are past your 65th birthday, you may not work as an employee or be self-employed in the elevator industry and any other industry in which employees covered by the Plan were employed when the employee's pension began or, but for suspension, would have begun, in any state of the United States from which the Plan receives contributions on behalf of employees, in any occupation covered by the Plan, for 40 or more hours in a month. Work for under 40 hours per month (or in a 4 or 5 week payroll period used by your employer instead of a calendar month) is permitted and there will be no suspension of your benefits. This rule also applies to employees who do not retire, but continue to work past age 65.

However, a retired employee who is employed solely as an elevator inspector and performs no work of the type which is Covered Employment under the Plan shall not be deemed to be employed in the elevator industry and will not have his pension suspended regardless of the number of hours he is employed as an elevator inspector.

If you are not sure whether certain employment would be considered Disqualifying Employment by the Benefits Office, you may request the Trustees to review the employment you are considering and to advise you whether that employment would result in a suspension of your pension. Such requests must be in writing and will be handled in accordance with the appeal procedures of the Pension Plan.

If You Take a Job in Disqualifying Employment

If you are retired, under age 65, and take a job in Disqualifying Employment as described above, your pension will be suspended for each month you work in Disqualifying Employment.

If you are retired, over age 65, and you take a job in Disqualifying Employment, as described above, your pension will

be suspended for each month in which you work 40 hours or more.

You are required to notify the Benefits Office in writing within 30 days after taking a job that is or may be Disqualifying Employment or employment as an elevator inspector, irrespective of the number of hours you work.

Failure to Provide Required Notice

The Trustees know that most members are honest and follow the rules. However, retirees will be asked to periodically sign a statement affirming that they are not working in Disqualifying Employment. Of course, if a retiree returns to work covered by the Plan, the Benefits Office will receive reports from your employer. If there is information provided from any source that you are working in Disqualifying Employment, the Trustees may automatically suspend your pension based on two presumptions:

1. That you worked at least 40 hours per month, and

2. That you have been working at the job site for as long as the contractor has been working at that site.

Any errors made in this regard will be corrected as soon as you provide satisfactory information about your actual employment.

Recovery of Overpayments

If your pension is suspended for months for which you have already received payment, the amount you owe the Fund will be deducted from your pension when it starts again until the debt is paid in full. After you attain Normal Retirement Age, no more than 25% of your pension check can be deducted, except for the

first check following suspension, which may be deducted up to 100%. This first check following the suspension of your pension may include payments for several months. The deductions will also continue against your spouse's benefit after your death. Of course, the Trustees can also bring a lawsuit against you to collect amounts which you owe to the Fund.

Appeal of Suspension

You may appeal the suspension of your pension in the same way that you appeal any other matter involving the Plan. A written request for review must be filed within 180 days of the notice of benefit suspension.

Notice of Termination of Disqualifying Employment

If you stop working in Disqualifying Employment, you must notify the Benefits Office in writing, on a form provided by the Benefits Office, of the date you last worked in Disqualifying Employment. Your pension (less any amounts due the Fund) will resume the month after you cease Disqualifying Employment, but there may be a delay of up to 3 months before the first check arrives.

Additional Pension Credit for Work Covered by the Plan

If you return to Covered Employment and earn at least one year of Vesting Service, you will be entitled to a recomputation of your pension, based upon any additional credited service you earn and your age when your pension resumes. The portion of your pension based on service credit earned prior to your initial retirement will be calculated using the ABR in effect at your initial retirement. The portion of your pension based upon service credit earned after your return to work will be calculated

using your subsequent ABR. Your pension will be adjusted for the months that you received benefits and the months your pension was suspended for work if that work was disqualifying and would have been disqualifying if you had attained age 65. Any election you made when you first retired concerning your type of benefit (e.g., Normal, Early) will remain in effect. However, you may be entitled to elect a different form of benefit with respect to the credited service earned after your return to Covered Employment.

HEALTH COVERAGE BY THE NATIONAL ELEVATOR INDUSTRY HEALTH BENEFIT PLAN AFTER RETIREMENT

If you or your dependents are eligible for retiree health coverage under the terms of the NEI Health Benefit Plan, you or your dependents can "purchase" this coverage by authorizing in writing a monthly deduction from your pension benefit in the amount required for such health coverage. The cost and availability of this coverage is determined by the Board of Trustees of the Health Benefit Plan.

This option may be elected only at the time you file your application for a pension. The authorization is strictly

voluntary. You may cancel this election by filing a written revocation with the Trustees.

This authorization is not an assignment of benefits to the Health Benefit Plan.

IMPORTANT INFORMATION ABOUT YOUR PLAN

Identification Numbers of the Plan

The EIN of the Plan sponsor is 23-2694291, and the plan number is 001.

Plan Administrator

The Plan is sponsored by a joint Board of Trustees, which is made up of eight members - four Union representatives and four Employer representatives. You can contact the Board by writing to:

Robert L. Milano
Plan Administrator
National Elevator Industry Pension Plan
19 Campus Boulevard, Suite 200
Newtown Square, Pennsylvania 19073-3228

A complete list of the participating employers is available for review by any participant or beneficiary at the office of the Plan Administrator. You can get your own copy by writing to the Plan Administrator. There may be a charge for the copy.

The Board of Trustees is responsible for the overall administration of the Plan, but has delegated the day-to-day administrative functions to the "Plan Administrator." The Plan Administrator processes all benefit requests, maintains employee records and serves as the Plan's information center.

You can contact the Plan Administrator by writing to:

Robert L. Milano
Plan Administrator
National Elevator Industry Pension Plan
19 Campus Boulevard, Suite 200
Newtown Square, Pennsylvania 19073-3228
(800) 523-4702

The agent for service of legal process on the Plan is:

Donald J. Capuano, Esquire
O'Donoghue & O'Donoghue
4748 Wisconsin Avenue, N.W.
Washington, D.C. 20016

Legal process may also be served on the Plan Administrator or a Plan Trustee at the Benefits Office.

The Plan Year for purposes of maintaining Plan records is July 1 to June 30.

Plan Funding

The Plan is a defined benefit pension plan. It is maintained pursuant to collective bargaining agreements. A copy of such agreements may be obtained by participants and beneficiaries upon written request to the Plan Administrator. There may be a charge for the copy. The agreements are also available for examination at the Benefits Office.

All contributions to the Plan are made by employers in accordance with the collective bargaining agreements. The agreements require contributions on behalf of each covered employee on the basis of a fixed rate per hour of Covered Employment. The Benefits Office will provide you, upon written request, with information about whether a particular employer is contributing to the Fund on behalf of employees working under a collective bargaining agreement.

Benefits are provided from the Fund's assets, which are accumulated under the provisions of the Fund's Trust Agreement and held in a trust fund for the purpose of providing benefits to all eligible persons and defraying reasonable administrative expenses.

Pension Benefit Guaranty Corporation

Benefits under this Plan are insured by the Pension Benefit Guaranty Corporation (PBGC) if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, PBGC does not guarantee all types of benefits under covered plans, and the amount of benefit protection is subject to certain limitations.

The PBGC guarantees vested benefits at the level in effect on the date of plan termination. However, if a plan has been in effect less than five years before it terminates, or if benefits have been increased within the five years before plan termination, the whole amount of the plan's vested benefits or the benefit increase may not be guaranteed. In addition, there is a ceiling on the amount of monthly benefit that PBGC guarantees, which is adjusted periodically.

For more information on the PBGC insurance protection and its limitations, ask your Plan Administrator or the PBGC. Inquiries to the PBGC should be addressed to the Office of Communications, PBGC, 2020 K Street, N.W., Washington, D.C. 20006. The PBGC Office of Communications may also be reached by calling (202) 254-4817.

Termination of the Plan

The Union and NEII (the Plan's sponsors) expect to continue the Plan indefinitely. Since future conditions cannot be foreseen, however, they reserve the right to end the Plan.

In the event of Plan termination, you will not accrue any further benefits under the Plan. However, the benefits that you have already accrued will become vested, that is, nonforfeitable, to the extent your benefits can be funded by the Plan assets allocated to

such benefits. If there are not enough assets to pay for all of the benefits described in the Plan after providing for the expenses of termination, the remaining assets will be allocated in accordance with Section 9.03 and/or 9.04 of the Plan and as required by law.

Once the allocation procedure is completed, the Trustees, as a general rule, will use the available assets to purchase annuity contracts to provide for your benefits. However, under certain circumstances, the Trustees may pay you the actuarial equivalent of your benefit in cash, if you consent to such payment.

Selling, Assigning or Pledging Benefits

Benefits under this Plan may not be sold, assigned or pledged as security for a loan. Furthermore, benefits are not subject to attachment or execution for the payment of a debt under any judgment or decree of a court or otherwise, except as provided in the Internal Revenue Code and applicable regulations. However, any benefits payable to an alternate payee under a legally binding Qualified Domestic Relations Order will be honored by the Fund.

Benefit Increase for Retirees

There is no guarantee that pensions will be increased after retirement, even if the benefit rate is increased for active employees. The Trustees may provide benefit increases to retirees if the financial experience and current income to the Plan permit such increases.

YOUR RIGHTS UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

As a participant in the National Elevator Industry Pension Plan,

you are entitled to certain rights and protections under the Employee Retirement Income Security Act (ERISA). Specifically, ERISA provides that all plan participants shall be entitled to:

- ♦ examine, without charge, at the plan administrator's office and your worksite (if there are 50 or more participants) all plan documents, including collective bargaining agreements, and copies of all documents filed with the U.S. Department of Labor, such as annual reports.

- ♦ obtain copies of all plan documents and other plan information upon written request to the plan administrator. The plan administrator may make a reasonable charge for the copies.

- ♦ receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant a copy of this summary annual report.

- ♦ obtain a statement telling you whether you would have a right to receive a pension at normal retirement age (65), and, if so, what your benefit would be at normal retirement age if you stop working under the plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once a year. The plan must provide the statement free of charge.

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of your plan. The people who operate your plan, called

"fiduciaries," have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA. If your claim for a benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the plan review and reconsider your claim.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the plan and do not receive them within 30 days, you may file suit in federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to $100 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or part, you may file suit in a state or federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the persons you have sued to pay these costs and fees. If you lose, the court may order you to pay these court costs and legal fees, for example, if it finds your claim is frivolous.

If you have any questions about the plan, you should contact the plan administrator. If you have any questions about this statement or your rights under ERISA, you should contact the nearest Area Office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, NW, Washington, DC 20210.